

A. Settlement Statement <div style="text-align: center;"> Beaumont Title Company Settlement Statement </div>	B. Type of Loan	
	1-5. Loan Type Conv. Unins.	
	6. File Number TX04-B9B29374-BT91	
	7. Loan Number	
8. Mortgage Insurance Case Number		

C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown, items marked "(POC)" were paid outside this closing; they are shown here for informational purposes and are not included in the totals. Amounts shown as RBL were retained by lender and deducted from the loan proceeds prior to receipt by settlement agent.

D. Name of Borrower: Asset Preservation, Inc. As Qualified Intermediary For Jack Mossburg

E. Name of Seller: Walter D. Snider as Chapter 7 Bankruptcy Trustee for Barry & Barry Sand Company, Inc. (Cause No. 01-10989)

F. Name of Lender:

BEAUMONT TITLE COMPANY HEREBY
CERTIFIES THIS IS A TRUE AND
CORRECT COPY OF THE ORIGINAL.
[Signature]

G. Property Location: Seven Tracts - Hardin County, Texas

First Revision

H. Settlement Agent: Beaumont Title Company
Address: 2050 N. 11th Street, Beaumont, TX 77703

I. Settlement Date: 07/14/2004

Place of Settlement Address: 2050 N. 11th Street, Beaumont, TX 77703


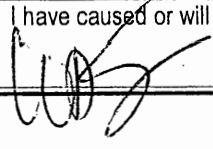
Print Date: 07/14/2004, 12:32 PM

Disbursement Date:

J. Summary of Borrower's Transaction		K. Summary of Seller's Transaction	
100. Gross Amount Due From Borrower		400. Gross Amount Due To Seller	
101. Contract Sales Price	525,000.00	401. Contract Sales Price	525,000.00
102. Personal Property		402. Personal Property	
103. Settlement charges to borrower (line 1400)	721.34	403. Total Deposits	
104.		404.	
105.		405.	
Adjustments for items paid by seller in advance		Adjustments for items paid by seller in advance	
106. City/town taxes		406. City/town taxes	
107. County taxes		407. County taxes	
108. Assessments		408. Assessments	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
113.		413.	
114.		414.	
115.		415.	
120. Gross Amount Due From Borrower	525,721.34	420. Gross Amount Due To Seller	525,000.00
200. Amounts Paid By Or In Behalf of Borrower		500. Reductions In Amount Due to Seller	
201. Deposit or earnest money		501. Excess deposit (see instructions)	
202. Principal amount of new loan(s)		502. Settlement charges (line 1400)	298,412.45
203. Existing loan(s) taken subject		503. Existing loan(s) taken subject	
204.		504. Payoff of first mortgage loan	
205.		505. Payoff of second mortgage loan	
206.		506.	
207.		507.	
208.		508.	
209.		509.	
Adjustments for items unpaid by seller		Adjustments for items unpaid by seller	
210. City/town taxes		510. City/town taxes	
211. County taxes 01/01/04 to 07/14/04 @\$0.00/yr	405.09	511. County taxes 01/01/04 to 07/14/04 @\$0.00/yr	405.09
212. Assessments		512. Assessments	
213. School Taxes 1/1/04 to 7/14/04 (R&R)	4,407.07		

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210. City/town taxes		510. City/town taxes	
211. County taxes 01/01/04 to 07/14/04 @\$0.00/yr	405.09	511. County taxes 01/01/04 to 07/14/04 @\$0.00/yr	405.09
212. Assessments		512. Assessments	
213. School Taxes 1/1/04 to 7/14/04 (B&B)	1,107.63	513. School Taxes 1/1/04 to 7/14/04 (B&B)	1,107.63
214. County Taxes 1/1/04 to 7/14/04 (Ivan)	138.29	514. County Taxes 1/1/04 to 7/14/04 (Ivan)	138.29
215. School Taxes 1/1/04 to 7/14/04 (Ivan)	395.66	515. School Taxes 1/1/04 to 7/14/04 (Ivan)	395.66
216. County Taxes 1/1/04 to 7/14/04 (James)	142.55	516. County Taxes 1/1/04 to 7/14/04 (James)	142.55
217. School Taxes 1/1/04 to 7/14/04 (James)	407.94	517. School Taxes 1/1/04 to 7/14/04 (James)	407.94
218. County Taxes 1/1/04 to 7/14/04 (Richard)	289.58	518. County Taxes 1/1/04 to 7/14/04 (Richard)	289.58
219. School Taxes 1/1/04 to 7/14/04 (Richard)	400.53	519. School Taxes 1/1/04 to 7/14/04 (Richard)	400.53
220. Total Paid By/For Borrower	3,287.27	520. Total Reduction Amount Due Seller	301,699.72
300. Cash At Settlement From/To Borrower		600. Cash At Settlement To/From Seller	
301. Gross amount due from Borrower (line 120)	525,721.34	601. Gross amount due to Seller (line 420)	525,000.00
302. Less amounts paid by/for Borrower (line 220)	3,287.27	602. Less reductions in amounts due to Seller (line 520)	301,699.72
303. Cash (X From) (To) Borrower	522,434.07	603. Cash (X To) (From) Seller	223,300.28

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

Settlement Agent:  Date:  _____

* See Supplemental Page for details.

Settlement Charges		Paid From	
Total Sales/Broker's Commission based on price		Borrower's	Seller's
Division of Commission (line 700) as follows		Funds at	Funds at
		Settlement	Settlement
701.			
702.			
703. Commission paid at Settlement			
704.			
800. Items Payable in Connection with Loan			
801. Loan Origination Fee			
802. Loan Discount			
803. Appraisal Fee			
804. Credit Report			
805. Lender's Inspection Fee			
806. Mortgage Insurance Application Premium			
807. Assumption Fee			
808.			
809.			
810.			
811.			
812.			
813.			
814.			
Supplemental Summary			
900. Items Required by Lender to be Paid in Advance			
901. Interest			
902.			
903. Hazard Insurance Premium for			
904.			
905.			
Supplemental Summary			
1000. Reserves Deposited with Lender			
1001. Hazard Insurance			
1002. Mortgage Insurance			
1003. City Property Taxes			
1004. County Property Taxes			
1005. Annual assessments			
1006.			
1007.			
1008. Aggregate Accounting Adjustment			
1100. Title Charges			
1101. Settlement or closing fee			
1102. Abstract or title search			
1103. Title examination			
1104. Title Insurance Binder			
1105. Document Fee			
1106. Notary Fee			
1107. Attorney Fee			
(includes above item numbers:)			
1108. Title Insurance			3,217.00
(includes above item numbers:)			
1109. Lender's coverage \$0.00			
1110. Owner's coverage \$525,000.00 Premium: \$3,217.00			
1111. Escrow Fees to Beaumont Title Company		350.00	
1112. Bankruptcy Copies to Beaumont Title Company		60.00	
1113. Guaranty Fee to Beaumont Title Company		1.00	
1114.			
1115.			
1116.			
1117.			
1200. Government Recording and Transfer Charges			
1201. Recording fees:			
1202. City/county tax/stamps:			
1203. State tax/stamps:			
1204. Recording Fees		84.00	
1205.			
1206.			
1300. Additional Settlement Charges			
1301. Survey to			
1302. Pest Inspection to			
1303. Net Proceeds (Exhibit A) to Ivan Barry			95,095.98
1304. Net Proceeds (Exhibit A) to James Barry			62,277.50

Supplemental Summary		
1000. Reserves Deposited with Lender		
1001. Hazard Insurance		
1002. Mortgage Insurance		
1003. City Property Taxes		
1004. County Property Taxes		
1005. Annual assessments		
1006.		
1007.		
1008. Aggregate Accounting Adjustment		
1100. Title Charges		
1101. Settlement or closing fee		
1102. Abstract or title search		
1103. Title examination		
1104. Title Insurance Binder		
1105. Document Fee		
1106. Notary Fee		
1107. Attorney Fee		
(includes above item numbers:)		
1108. Title Insurance		3,217.00
(includes above item numbers:)		
1109. Lender's coverage \$0.00		
1110. Owner's coverage \$525,000.00 Premium: \$3,217.00		
1111. Escrow Fees to Beaumont Title Company	350.00	
1112. Bankruptcy Copies to Beaumont Title Company	60.00	
1113. Guaranty Fee to Beaumont Title Company	1.00	
1114.		
1115.		
1116.		
1117.		
1200. Government Recording and Transfer Charges		
1201. Recording fees:		
1202. City/county tax/stamps:		
1203. State tax/stamps:		
1204. Recording Fees	84.00	
1205.		
1206.		
1300. Additional Settlement Charges		
1301. Survey to		
1302. Pest Inspection to		
1303. Net Proceeds (Exhibit A) to Ivan Barry		95,095.98
1304. Net Proceeds (Exhibit A) to James Barry		98,037.59
1305. Net Proceeds (Exhibit A) to Richard Barry		96,361.39
1306. Tax Service to Hardin County Tax Service	162.38	
1307. Tax Service to Data Trace Accounts Payable	63.96	
1308. Delinquent Taxes - Ivan Barry to Hardin County Tax Collector		1,360.07
1309. Delinquent Taxes - James Barry to Hardin County Tax Collector		1,401.92
1310. Delinquent Taxes - Richard Barry to Hardin County Tax Collector		2,938.50
1311.		
1312.		
1313.		
1314.		
Supplemental Summary		
1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)	721.34	298,412.45

* See Supplemental Page for details.

Opp

WMS

Exhibit A

Gross Proceeds - \$300,000

Ivan Barry	(32 1/3 %)	=	\$96,990.00
James Barry	(33 1/3 %)	=	\$99,990.00
Richard Barry	(33 1/3 %)	=	\$99,990.00

Tax Prorations (School)

(County)

Ivan Barry -	395.66	Ivan Barry -	138.29
James Barry -	407.94	James Barry -	142.55
Richard Barry -	400.53	Richard Barry -	289.58

Delinquent Taxes -

Ivan Barry (School) -	1007.83
Ivan Barry (County) -	<u>352.24</u> = 1360.07
James Barry (School) -	1038.86
James Barry (County) -	<u>363.06</u> = 1401.92
Richard Barry (School) -	2162.59
Richard Barry (County) -	<u>775.91</u> = 2938.50

Summary

Ivan Barry - \$96,990 - <395.66> - <138.29> - <1007.83> - <352.24> = \$95,095.98

James Barry - \$99,990 - <407.94> - <142.55> - <1038.86> - <363.06> = \$98,037.59

Richard Barry - \$99,990 - <400.53> - <289.58> - <2162.59> - <775.91> = \$96,361.39

Exhibit B-1
Tax Proration
School

Acct No.	Name	Acreage	Amount Due	Base Amount
0000021000802	Barry & Barry	1.00 ac.	-0-	2.88
0000021000809	"	72.00 ac.	-0-	10.84
0000021000813	"	143.51 ac.	-0-	6.84
0000021000060	"	120.00 ac.	-0-	574.15
0000039000203	"	24.73 ac.	-0-	2.50
0000039001750	"	80.00 ac.	-0-	382.77
0000039001751	"	37.00 ac.	-0-	678.51
0000039003600	"	4.78 ac.	-0-	<u>420.44</u>
				2078.93

$$\frac{2078.93}{366} = 5.6801 \times 195 = 1107.63$$

0000021000811	James Guy Barry	143.51 ac.	310.64	228.89
0000021000808	"	72.00 ac.	488.65	360.09
0000021000800	"	1.00 ac.	124.42	91.69
0000039000200	"	24.73 ac.	<u>115.15</u>	<u>84.86</u>
			1038.86	765.53

$$\frac{765.53}{366} = 2.092 \times 195 = 407.94$$

0000039000201	Ivan Barry	24.73 ac.	111.75	82.35
0000021000806	"	72.00 ac.	473.95	349.26
0000021000805	"	143.51 ac.	301.33	222.06
0000021000803	"	1.00 ac.	<u>120.80</u>	<u>89.02</u>
			1007.83	742.69

$$\frac{742.69}{366} = 2.029 \times 195 = 395.66$$

0000021000801	Richard Barry	1.00 ac.	255.44	87.64
0000021000807	"	72.00 ac.	1011.79	349.92
0000021000812	"	143.51 ac.	656.93	231.66
0000039000202	"	24.73 ac.	<u>238.43</u>	<u>82.46</u>
			2162.59	751.68

$$\frac{751.68}{366} = 2.054 \times 195 = 400.53$$

**Exhibit B
Tax Proration
County**

Acct No.	Name	Acreage	Amount Due	Base Amount
000021-000803-0-000000 (38846/10262)	Ivan Barry	1.00 ac	44.20	32.57
000021-000806-0-000000 (31539/10262)	Ivan Barry	72.00 ac.	173.42	127.80
000021-000805-0-000000 (31538/10262)	Ivan Barry	143.510 ac.	110.28	81.26
000039-000201-0-000000 (38847/10262)	Ivan Barry	24.73 ac.	<u>24.34</u> 352.24	<u>17.93</u> 259.56
			259.56/366 = 0.7091 x 195 = <u>138.29</u>	
000021-000800-0-000000 (31537/10263)	James Guy Barry	1.00 ac	45.53	33.55
000021-000811-0-000000 (36661/10263)	James Guy Barry	143.510 ac.	113.66	83.75
000021-000808-0-000000 (36662/10263)	James Guy Barry	72.00 ac.	178.80	131.76
000039-000200-0-000000 (31540/10263)	James Guy Barry	24.73 ac.	<u>25.07</u> 363.06	<u>18.48</u> 267.54
			267.54/ 366 = 0.731 x 195 = <u>142.55</u>	

**Exhibit B
Tax Proration
County**

000021-000801-0-000000 (36713/10264)	Richard Barry	1.00 ac.	95.68	67.09
000021-000812-0-000000 (36715/10264)	Richard Barry	143.510 ac.	246.20	172.41
000021-000807-0-000000 (36714/10264)	Richard Barry	72.00 ac.	379.01	265.68
000039-000202-0-000000 (36716/10264)	Richard Barry	24.73 ac.	<u>55.02</u> 775.91	<u>38.51</u> 543.69
543.69/ 366 = 1.485 x 195				<u>=289.58</u>
000039-003600-0-000000 (1986/33193)	Barry & Barry	4.780 ac.	-0-	153.85
000039-001751-0-000000 (23448/33193)	Barry & Barry	37.00 ac.	-0-	248.27
000039-001750-0-000000 (7505/33193)	Barry & Barry	80.00 ac.	-0-	140.06
000039-000203-0-000000 (38842/33193)	Barry & Barry	24.73 ac.	-0-	0.55
000021-000060-0-000000 (23446/33193)	Barry & Barry	120.00 ac.	-0-	210.08
000021-000813-0-000000 (38841/33193)	Barry & Barry	143.51 ac.	-0-	2.50
000021-000809-0-000000 (38840/33193)	Barry & Barry	72.00 ac.	-0-	3.97
000021-000802-0-000000 (38839/33193)	Barry & Barry	1.00 ac.	-0-	<u>1.04</u> 760.32
760.32/ 366 = 2.077 x 195				<u>= 405.09</u>

ADDENDUM TO HUD-1

GF#9B29374

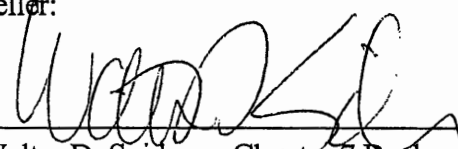
BORROWER/BUYER: Asset Preservation, Inc. as Qualified Intermediary for Jack Mossburg
SELLER: Walter D. Snider as Chapter 7 Bankruptcy Trustee for Barry & Barry Sand Company, Inc. (Cause No. 01-10989)
LENDER: N/A
PROPERTY: Seven Tracts – Hardin County, Texas
SETTLEMENT DATE: July 14, 2004

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of HUD-1 Settlement Statement

Buyer:

Asset Preservation, Inc. as Qualified Intermediary
For Jack Mossburg

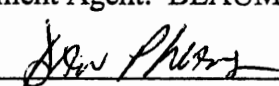
Seller:



Walter D. Snider as Chapter 7 Bankruptcy Trustee
For Barry & Barry Sand Company, Inc. (Cause No.
01-10989)

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

Settlement Agent: BEAUMONT TITLE COMPANY

By:  _____

Date:  _____

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine or imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.

10:43AM FROM-

ADDENDUM TO HUD-1

GF#9B29374

BORROWER/BUYER: Asset Preservation, Inc. as Qualified Intermediary for Jack Mossburg
SELLER: Walter D. Snider as Chapter 7 Bankruptcy Trustee for Barry & Barry Sand Company, Inc. (Cause No. 01-10989)
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PROPERTY: Seven Tracts - Hardin County, Texas
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Buyer:

Seller:

By: *Jonathan Christman*
 Asset Preservation, Inc. as Qualified Intermediary
 For Jack Mossburg

Walter D. Snider as Chapter 7 Bankruptcy Trustee
 For Barry & Barry Sand Company, Inc. (Cause No. 01-10989)

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

Settlement Agent: BEAUMONT TITLE COMPANY

By: _____

Date: _____

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**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
BEAUMONT DIVISION**

IN RE:	§	
	§	CASE NO. 01-10989
BARRY & BARRY SAND COMPANY, INC.	§	
	§	
DEBTOR	§	CHAPTER SEVEN

**FIRST AND FINAL APPLICATION OF WALTER D. SNIDER FOR
COMPENSATION AS TRUSTEE (CHAPTER 11 & 7) AND FOR
REIMBURSEMENT OF EXPENSES FOR THE PERIOD
OCTOBER 29, 2001 THROUGH PRESENT**

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

COMES NOW, WALTER D. SNIDER, ("Applicant"), Chapter 7 Trustee in the above-captioned case and files this First and Final Application of Walter D. Snider for Compensation as Trustee and for Reimbursement of Expenses for the period from October 29, 2001 through the present (the "Subject Period") and would show the Court the following:

SCHEDULE 3

I.

JURISDICTION

1. Barry & Barry Sand Company, Inc., (“Debtor” and/or “Debtor’s Estate”) filed a voluntary petition under Chapter 11 of the Bankruptcy Code on or about May 9, 2001.

2. Applicant was appointed Chapter 11 Trustee by the United States Trustee on October 29, 2001, which appointment was approved by this Court by Order entered on November 13, 2001. Applicant served as Chapter 7 Trustee after this case was converted to a Chapter 7 case by Order dated October 8, 2002. Applicant is seeking compensation to be paid out of the Debtor’s Estate. Applicant has filed no previous application for compensation or for reimbursement for expenses.

3. The Court has jurisdiction over this matter pursuant to 11 U.S.C. Sections 330 and 326.

II.

BACKGROUND OF THE CASE

4. Prior to the filing of this case, Debtor was a business that was engaged in the operation of a sand company that was located in Hardin County, Texas. The stockholders of Debtor were Ivan Barry, James Barry, and Richard Barry, all related. The business had been in existence for a number of years. Prior to the filing of this case, James Barry and Richard Barry had, periodically, served as the operating officer for the company. At the time of the filing of the case Lou Anderson, a CPA, served as president of the Company. Ms. Anderson was also the CPA for Ivan Barry. She maintained the corporate headquarters for Debtor at her CPA office in Beaumont. She served as the operating officer of the company until

Applicant was appointed the Chapter 11 Trustee by this Court.

III.

PREVIOUS APPLICATIONS

5. Applicant has not made any previous application for compensation or reimbursement of expenses.

IV.

SERVICES COVERED BY THIS APPLICATION

6. Applicant values its services for the benefit of the Debtor's Estate with respect to the Subject Period in the amount of \$71,046.73, for which Applicant seeks approval. Applicant also seeks approval for reimbursement of expenses of \$19,368.05.

7. No agreement or understanding exists between Applicant or any other person with respect to sharing any compensation to be received by Applicant in connection with the services rendered for the benefit of the Debtor's Estate.

8. Applicant believes that the compensation sought for the services rendered in connection with this case represents the real value of such services and were actual and necessary services rendered by Applicant in this case for the benefit of the Debtor's Estate.

9. Applicant physically took possession of the Debtor on or about December 1, 2001. Applicant obtained books and records from Lou Anderson. The books and records were somewhat disorganized and information as to Mrs. Anderson's computer programs regarding the Debtor were not provided. A new program was necessary to maintain the books for the Debtor. The bank account for the Debtor has a negative balance. Applicant collected receivables and a first deposit was made by Applicant on December 4, 2001. Mrs. Anderson

was being paid \$1,000.00 a month to serve as President of the Company. In addition, she performed CPA services for the Company. She also employed her husband to do maintenance for the Debtor at \$500.00 per week. Mr. and Mrs. Anderson rendered no further service for Debtor after December 1, 2001.

10. Applicant hired Conley Todd, a former banker, to serve as supervisor for the Company. He was paid \$500.00 a week, plus out of pocket expenses.

11. Debtor did not maintain an office or a phone at its sand facility in Hardin County, Texas. Applicant dedicated a phone line for Debtor and utilized his office personnel to answer the phone. Applicant's existing staff answered the phone for Debtor. Information received was forwarded to the person on site at the sand facility by fax. Applicant's staff provided other similar office services for Debtor. This on-site person was Merlin Stark. Mr. Stark served as the supervisor for the personnel at the sand facility and coordinated all deliveries of sand, repairs to equipment, and the like. He physically worked at the facility in Hardin County and oversaw all physical sand operations at the facility in Hardin County. In addition, Applicant used his office to process mail for Debtor, coordinate the execution and delivery of payroll checks, collecting and paying receivables and payables, and dealing generally with the administrative responsibilities of Debtor.

12. Applicant maintained the business operation of Debtor until the assets were sold on July 14, 2004. Debtor maintained its business operations even after it was converted to a Chapter 7 case and continued operating as an ongoing entity (with permission of the Court) until the assets were sold on July 14, 2004.

A. Finalizing Administrative and Priority Claims.

13. The sand facility consisted of 500+ acres. Approximately ½ was owned by Debtor

and the remainder was owned by the shareholders (with Debtor owning a 1% interest) of Debtor. Throughout the bankruptcy, this remainder portion was referred to as the undivided interest. Such interest was necessary for the continued operation of the Debtor business.

14. It was necessary for Applicant, with the assistance of his attorney, to resolve issues and claims. The shareholders had been unable to agree on the management of the business of Debtor and, in fact, there was several lawsuits pending in Hardin County among the Debtor and the shareholders where there were allegations of mismanagement, impropriety, embezzlement, and the like. As owner of the undivided interest, the shareholders had made claims for payment of rent. In addition, some shareholders and related entities had made claims as administrative claims, etc. There were silicosis claims Applicant had to deal with. Debtor had made preferential payments prior to filing bankruptcy and Applicant sought recovery of same and did, with the aid of his attorney, recovered funds belonging to the Debtor Estate. There were questions raised as to whether or not the bankruptcy court had the authority to authorize the Trustee (Applicant) to sell the real property undivided interest. These issues and all administrative claims, all adversary proceedings, etc., were resolved by Applicant and his attorney culminating with the sale of the assets of Debtor.

B. Finalizing the Allocation of Sales Proceeds as to the Assets of Debtor

15. Applicant was ultimately successful in selling the assets of Debtor (real and personal property) and the undivided interest to a third party without the aid of a broker. Applicant had sought the services of business brokers and because the sales price would be less than \$1,000,000.00 the quoted fee would be 15% of the sales price or greater. Finalizing the sale required an agreement to be reached with all shareholders as to the amount to be paid for each's interest in the undivided property as well as resolution of payment of property

taxes owed by the shareholders on their undivided interest and each's claim for rent. Further resolution with James Barry of his ownership of adjoining property and his acquisition of additional property from the third party purchaser had to be resolved. Following the sale, of the assets, the business of Debtor has been continued by the purchaser with all employees (except one) retaining their jobs.

V.

STANDARDS OF SECTION 330

16. Applicant would show that the following factors support that Applicant should be paid a fee of \$71,046.73 plus reimbursement of \$19,368.05 as expenses. The fee itself is calculated in accordance with Section 326 of the Bankruptcy Code. Attached as Exhibit A is an itemization of the hours spent by Applicant in rendering services to the Debtor Estate. In addition, Applicant spent 4-7 hours per week (December 1, 2001 through July 14, 2004) performing routine administrative duties for the Debtor Estate such as handling employee matters, payroll, payment of payables, supervise office, etc. Attached as Exhibit B is an itemization of expenses for which reimbursement is sought. This includes a figure for office personnel in handling the phone, etc., for Debtor Estate and dealing with its customers, transmittal of messages to on-site supervisor, and the like. Applicant estimates his office staff spent 10-15 hours each week performing these services. Applicant seeks \$11.00 per hour for 10 hours each week Applicant operated the business (December 1, 2001 through July 14, 2004). Attached as Exhibit C is a list of all deposits/monies received by Applicant. Attached as Exhibit D is a list of all disbursements. Attached as Exhibit E is a calculation of the fee for compensation based on Section 326 of the Bankruptcy Code.

A. Time and Labor Expended.

17. Applicant has spent over 300 hours in service as Trustee for the Debtor Estate. Exhibit A reflects nearly 300 hours. The usual and customary fee for real estate, business and bankruptcy attorneys in Jefferson County, Texas is between \$190.00 and \$225.00 an hour. Applicant was appointed as Chapter 11 Trustee and as Chapter 7 Trustee for this Debtor Estate because of Applicant's experience as a real estate and business attorney.

B. Novelty and Difficulty of the Questions Presented in This Case.

18. During the Subject Period, Applicant had to maintain the business operation of the Debtor Estate with the goal of selling the assets of the Debtor Estate as a going concern. Again, the issues of the undivided interests and the litigation between the shareholders and to be resolved. If the business had been shut down and the Debtor Estate only sold its assets, the shareholders would not have received \$300,000.00 for their undivided interest and the Debtor Estate would not have received \$240,000.00 for its interest.

C. The Skill Requisite to Perform the Legal Services Properly.

19. This case has required Application to have a high degree of skill in selling a going business with undivided interests as well as knowledge of real estate and business law.

D. The Preclusion of Other Employment.

20. Applicant's serving as Trustee required Applicant to spend significant amounts of time in serving as Trustee for the Debtor Estate. Applicant's resources are limited so that the undertaking of other significant matters during that time were limited.

E. The Customary Charges for Services Rendered.

21. Applicant seeks a fee based on Section 326 of the Bankruptcy Code. A customary hourly rate would approximate the same fee.

F. The Amount of Time Involved and the Results Obtained.

22. Applicant has been involved in this case for over three years and has spent a significant amount of time on the Debtor Estate and has been involved on a regular basis with the assets of Debtor Estate including issues involving the Debtor Estate on a somewhat day-to-day basis. Applicant and his attorney have resolved all administrative claims, priority and secured claims, and adversary proceedings during the Subject Period that are necessary for the Trustee to have submitted his final report and accounting. But for the efforts of the Applicant, the shareholders would not have received \$300,000.00 for their undivided interests. Applicant during the Subject Period has moved this Estate towards finalization and disbursement and the Estate has been successfully liquidated, with only cash remaining.

G. Experience, Reputation and Ability of Applicant

23. Applicant enjoys a respected reputation among the Jefferson County bar. The biographical sketch of Applicant is attached as Exhibit F.

H. Whether the Fee is Fixed or Contingent.

24. At the time Applicant was appointed as Trustee, the Debtor had no liquid assets and no cash. Applicant's fee is understood to be what is approved by the Court upon application and after notice and hearing that is required. In this instance Applicant's undertaking was somewhat contingent. Applicant recognizes the risk in undertaking bankruptcy-related work, as the availability of liquidated assets to pay administrative fees is not always a certainty. Therefore, in a sense, fees requested in a bankruptcy case are contingent in that they are dependent upon court approval and availability of the funds in an estate to pay any allowed fee that is approved by the Court.

I. The Time Limitations Imposed by the Client or Circumstances.

25. On a regular basis, Applicant had to respond to matters requiring immediate attention. Many matters had to be handled on an expedited basis. Time constraints have been a factor in this case.

J. The Undesirability of the Case.

26. This case was a challenge and could be considered as undesirable because of the amount of work required without any assurance of payment.

K. The Nature and Length of the Professional Relationship with Client.

27. Not applicable.

L. Awards in Similar Cases and Customary Fees for Services Rendered.

28. Applicant believes that the Court is aware of fee awards in cases of a similar nature and the amount sought in this First and Final Fee Application is within that range.

M. The Policy of the Bankruptcy Code that Estate Be Administered as Efficiently as Possible.

29. Every effort has been made to hold the expenses of the Debtor Estate to a reasonable amount, but the time involved was significant as well as required. The fee sought in this Application is well within the standards prescribed by Section 326 of the Bankruptcy Code.

N. The Bankruptcy Code Does Not Permit the Award of Duplicative Fees.

30. There has been no duplication of legal services.

VI.

BENEFIT TO THE DEBTOR AND ITS ESTATE AND SHAREHOLDERS

31. Part of the reasoning of Debtor filing a Chapter 11 bankruptcy was the continuing

dispute and litigation generated by its shareholders that involved not only the shareholders but also the Debtor. This litigation had been ongoing for a number of years. By operating the Debtor Estate independent of the shareholders, the business was sold with a distribution being made to the shareholders that Applicant believes they otherwise would not have received and the business has continued as an operating entity.

VII.

EXPENSES

32. Applicant has incurred and paid expenses for the Debtor during the Subject Period. The expenses sought are \$19,368.05. An itemization of the expenses is set forth in Exhibit "B" attached hereto. Applicant believes that all of the expenses are reasonable and necessary. No reimbursement request is made for legal secretarial costs or word processing costs. Reimbursement is sought for photocopy charges. Copies are charged at the rate of 25 cents per copy. Postage is charged at the actual out-of-pocket expense.

VIII

CONCLUSION

33. Applicant seeks a fee to be allowed pursuant to this Fee Application out of the Debtor Estate's liquidated assets. The fees and expenses encompassed in this First and Final Fee Application were reasonable, necessary costs and expenses of preserving and disposing of the assets of this Estate. Exhibit A reflects time as of February 28, 2005 with an estimate of 15 hours to finalize the Estate. Trustee has spent approximately 25 hours in additional time consisting of attendance at a June 23, 2005 hearing, conference with Estate

attorney and preparation of this report. Additional expenses since preparation of Exhibit B (2/28/05) are being absorbed by Trustee.

34. Based on the foregoing, and as set forth in detail on Exhibit "D" and "E", Applicant submits that his respective fees and expenses constitute necessary and reasonable fees and expenses which have resulted in a quantifiable benefit for the Debtor Estate and all other interested parties. Accordingly, Applicant seeks authority for payment of the fees and expenses allowed pursuant to this First and Final Fee Application.

35. Applicant has filed only one application for compensation and reimbursement of expenses for services as Chapter 11 Trustee and as Chapter 7 Trustee as Section 336 and 326 of the Bankruptcy Code governs both.

WHEREFORE, PREMISES CONSIDERED, Applicant, WALTER D. SNIDER, prays that, after such notice and hearing is required, the Court enter an Order (i) authorizing reimbursement of expenses advanced by Applicant during the Subject Period in the amount of \$19,368.05; (ii) awarding compensation to Application for services as Chapter 11 and Chapter 7 Trustee during the Subject Period in the amount of \$71,046.73; and grant Applicant such other and further relief, both at law and in equity, as is just.

Respectfully Submitted,

THE SNIDER LAW FIRM, L.L.P.

BY: _____

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